



8(a) Contractor's Corner

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CAROLINE BROWN NAMED STATE'S TOP MINORITY BUSINESS ADVOCATE

Caroline Brown, Director of the Tribal Business Information Center at Fort Belknap, was named the U.S. Small Business Administration's (SBA) 2001 Minority Small Business Advocate of the Year for Montana and SBA's Region VIII Minority Small Business Advocate of the Year. Ms. Brown was honored at SBA's Small Business Week awards luncheon May 4, 2001, along with an outstanding cast of small business owners and advocates from across the state.

CONTRACTORS - HEADS UP!

When you get that Request for Proposal (RFP) do you *really* read it? Do you go to the contract clause section where the "Clauses Incorporated by Reference" are listed and thoroughly inspect them? Here is one of many very good reasons why you should do so. FAR Section 52.215 - 2 Audit and Records - Negotiation may be included in your RFP. This section states that the Contracting Officer shall have the right to examine and audit *all records and other evidence* on all costs claimed to have been incurred, in any way, in performing the contract. The right of examination includes inspection of your plans designed and utilized for the contract. If the contractor has been required to submit cost or pricing data in connection with any pricing action on the contract, the Contracting Officer, in order to evaluate the accuracy, completeness, and currency of the data, has the right to examine and audit all of the contractor's records. This includes all computations and projections related to the contract. Also, not only does the Contracting Officer have the right to access and examine this data but the Comptroller General of the United States, a completely separate federal agency, has the right. This right of examination will be extended to all subcontractors under the main contract. The records must be kept for three years after final payment under the contract. Finally, not only does the contractor have to supply the records; he is not reimbursed for any cost associated with the audit. Reading the RFP's very carefully can be very beneficial to all contractors. All FAR sections can be found on the Web at <http://www.arnetgov/far/>.

DOLLARS AND SENSE WORKSHOP

The annual Dollars and Sense Workshop will be held on Wednesday, June 26, 2001, Room 289 in the Federal Building, Helena, from 1:00 p.m. - 4:30 p.m. Topics to be discussed are: PRO-Net Registration and Information, 8(a) Program and HUBZone Program Overview, Ins and Outs of Government Contracting and Construction Contracting with the Government. No costs are involved.

UPCOMING HUBZONE TRAINING

D.J. Caulfield, US West Area Director, HUBZone Program, will be in Helena on June 27, 2001, to offer HUBZone

Procurement training for contracting officers. The session will be held in the Federal Office Building, 301 South Park, Room 289, Helena.

Training will begin at 8:00 a.m. and end at 4:30 p.m. Bring your HUBZone questions and concerns and be prepared for a very informative day. Contact Robert Much at (406) 441-1081 for additional information.

WOMAN BUSINESS OWNERS

The Office of Federal Contract Assistance for Women Business Owners (CAWBO) was established on October 1, 2000, in the Office of Government Contracting at the SBA. The purpose of this office is to increase federal contracting opportunities for women-owned small businesses (WOSB) and to increase the number of WOSB that successfully compete in the federal marketplace.

The new program allows federal agencies to "restrict competition" when they solicit supplies or services in industries where WOSB are underrepresented, if two or more WOSB are expected to compete and the government expects to be able to make an award at a fair and reasonable price. Such contracts cannot exceed \$3 million for services or \$5 million in manufacturing. Congress established this program as a tool that the agencies may use to help achieve the goal of five percent of federal contract dollars to be awarded to WOSB.

All WOSB are encouraged to register in PRO-Net. This is an online database that is searched by contracting officers and prime contractors to locate firms in particular industries and locations, often by type of ownership, for example, WOSB. It



is an excellent marketing tool for WOSB to gain instant and wide exposure to the federal contracting community. A firm can self-certify that it is small and that it is women-owned (meaning that at least 51 percent of the ownership and control is by a woman). A firm can also provide information about the services or supplies it provides plus a listing of awards or other favorable past performance information. In addition, all WOSB seeking contracts or subcontracts are encouraged to search www.WomenBiz.gov, which has over 100 links to procurement information. For additional information, contact John Bagaason, Office of Government Contracting in Seattle, at (206) 553-8546 or john.bagaason@sba.gov.

NOMINATIONS SOUGHT FOR 2001 SBA MINORITY SMALL BUSINESS PERSON OF THE YEAR

SBA is seeking nominations for the 2001 Montana Minority Small Business Person of the Year to be presented during National Minority Enterprise Development (MED) Week in September. Since 1983, a week has been set aside by presidential proclamation in observance of MED Week. This year's MED Week ceremonies will take place September 22-26, 2001. MED Week recognizes the outstanding support made by corporate America toward minority business development and growth. Each year during MED Week, the SBA Montana District Office recognizes a Montana minority owned firm that best exemplifies minority business excellence and achievement.

Nomination forms for the 2001 Minority Small Business Person of the Year Award are available by contacting Mary Brilakis at (406) 441-1081. All nominations must be returned to the SBA Montana District Office at 301 So. Park, Drawer 10054, Helena, MT 59626 by June 22, 2001.

GETTING PAST

Breakthrough negotiation is the art of letting the other person have your way.

THE BREAKTHROUGH STRATEGY

This article lays out a five-step strategy for meeting these challenges – the strategy of breakthrough negotiation. Taken in sequence, the five steps enable you to change the game from face-to-face confrontation to side-by-side problem solving. While no method can guarantee success, the breakthrough strategy will maximize your chances of getting what you need in even the toughest negotiations.

The breakthrough strategy is counter-intuitive: it requires you to do the opposite of what you might naturally do in difficult situations. When the other side stonewalls or attacks you, you feel like responding in kind. When they insist on their position, you want to reject it and assert your own. When they exert pressure, you are inclined to retaliate with direct counter pressure. But in trying to break down your opponent's resistance, you usually only increase it. The essence of the breakthrough strategy is indirect action. You try to go *around* their resistance. Rather than pounding in a new idea from the outside, you encourage them to reach for it from within. Rather than telling them what to do, you let them figure it out. Rather than trying to break down their resistance, you make it easier for them to break through it. In short, breakthrough negotiation is the art of letting the other person have *your* way.

Breakthrough negotiation can be used with any opponent – with an irascible boss, a temperamental teenager, a hostile co-worker or an impossible customer. It can be used by diplomats trying to stave off a war, lawyers trying to avoid a costly court battle or spouses trying to keep a marriage together. It is an all-purpose strategy that anyone can use.

THE FIVE STEPS OF BREAKTHROUGH NEGOTIATION

1. *Go to the Balcony.* The first step is to control your own behavior. When the other person says no or launches an attack, you may be stunned into giving in or launching a counter-attack, which just makes the problem worse. So suspend your reaction instead, either by saying nothing or taking a break. Imagine yourself standing on a balcony overlooking a stage on which you are negotiating. On the balcony, you can remember your real interests and keep your eyes on the prize – a solution that's good for both sides. Don't get mad; don't get even; get what you want.
2. *Step to Their Side.* Before you can negotiate, you must create a favorable climate. You need to defuse the other side's anger, fear and suspicion. They expect you to attack or to resist. So do the opposite: listen to them, acknowledge their point and agree with them whenever you can. Acknowledge their authority and competence, too. Disarm them by stepping to their side.
3. *Don't Reject, Reframe.* The next step is to change the game. Instead of rejecting the other side's position – which usually only reinforces it – direct their attention to the problem of meeting each side's interests. Take whatever they say and reframe it as an attempt to deal with the problem. Ask problem-saving questions, such as "What if we were to,? Or, "What would you advise me to tell my constituents?" Whereas assertions generate resistance, questions can educate.
4. *Build Them a Golden Bridge.* At last you're ready to negotiate. The other side, however, may stall, not yet convinced of the benefits of agreement. You may be tempted to push and insist. Instead, do the opposite – draw them in the direction you would like them to go. Build them a golden bridge to retreat across, as one Chinese strategist put it in ancient times. Seek to bridge the gap between their interests and yours. Involve them in the process, building on their ideas. Make the outcome appear as a victory for them or at least as a way out with honor. In sum, make it as easy as possible for them to say yes by building them a golden bridge.
5. *Bring Them to Their Senses, Not Their Knees.* If the other side still resists and thinks they can win without negotiating, you must educate them to the contrary. You must make it hard for them to say no. You could use threats, but these often backfire; if you push them into a corner, they will likely lash out, throwing even more



resources into the fight against you. Instead, educate them about the costs of not agreeing, developing a strong walk-away alternative for yourself. *By William Ury*

If you have a news item you would like to have published in a future newsletter, contact Mary Brilakis, Editor, at (406) 441-1081, e-mail mary.brilakis@sba.gov.